



**COUNTY OF LOS ANGELES
DEPARTMENT OF AUDITOR-CONTROLLER**

KENNETH HAHN HALL OF ADMINISTRATION
500 WEST TEMPLE STREET, ROOM 525
LOS ANGELES, CALIFORNIA 90012-3873
PHONE: (213) 974-8301 FAX: (213) 626-5427

WENDY L. WATANABE
AUDITOR-CONTROLLER

MARIA M. OMS
CHIEF DEPUTY

ASST. AUDITOR-CONTROLLERS

ROBERT A. DAVIS
JOHN NAIMO
JUDI E. THOMAS

December 18, 2009

TO: Supervisor Gloria Molina, Chair
Supervisor Mark Ridley-Thomas
Supervisor Zev Yaroslavsky
Supervisor Don Knabe
Supervisor Michael D. Antonovich

FROM: Wendy L. Watanabe
Auditor-Controller

A handwritten signature in blue ink, appearing to read "Wendy L. Watanabe", is written over the printed name and title.

SUBJECT: **SAN FERNANDO VALLEY COMMUNITY MENTAL HEALTH CENTER,
INC. CONTRACT REVIEW – A DEPARTMENT OF CHILDREN AND
FAMILY SERVICES AND MENTAL HEALTH SERVICE PROVIDER**

We completed a program and fiscal review of San Fernando Valley Community Mental Health Center, Inc. (SFV or Agency) to determine the Agency's compliance with two County contracts. The Agency contracts with the Department of Children and Family Services (DCFS) to operate the Wraparound Approach Services (Wraparound) Program and the Department of Mental Health (DMH) to provide mental health services.

Background

Under the DCFS' Wraparound Program, SFV provides individualized services to children and their families such as therapy, housing, educational and social assistance. Under the contract with DMH, SFV provides mental health services, which include interviewing program participants, assessing their mental health needs and developing and implementing a treatment plan. The Agency's headquarters is located in the Third District.

DCFS paid SFV on a fee-for-service basis at \$4,184 per child per month or approximately \$1.9 million per year for Fiscal Years (FY) 2007-08 and 2008-09. DMH paid SFV on a cost reimbursement basis between \$1.73 and \$4.15 per minute of staff time (\$103.80 to \$249 per hour) or approximately \$26 million and \$27.5 million for FY 2007-08 and FY 2008-09, respectively.

Purpose/Methodology

The purpose of the mental health services program review was to determine the appropriateness of the services provided based on available documentation. This included reviewing a sample of the Agency's billings, participant charts and personnel and payroll records. We also interviewed a number of the Agency's staff.

The purpose of the fiscal review of DCFS' Wraparound Program and DMH's mental health services was to determine whether SFV appropriately accounted for and spent Wraparound and DMH funds providing the services outlined in their County contracts. We also evaluated the adequacy of the Agency's accounting records, internal controls and compliance with federal, State and County guidelines.

Results of Review

DMH Program Review

SFV staff assigned to the DMH Program possessed the required qualifications. However, SFV did not always comply with the County contract requirements and billed DMH \$1,821 without supporting documentation. Specifically, SFV:

- Billed \$356 for 158 minutes for mental health services without documentation to support the services in the client's chart.
- Billed \$1,099 for 330 minutes for one Crisis Intervention Service without the required documentation to classify the activity as Crisis Intervention Service. Specifically, the Progress Note did not describe why the condition required a more timely response.
- Billed \$366 for 110 minutes more than the service minutes documented in the clients' charts. Specifically, SFV billed 430 services minutes even though the Progress Notes only documented 320 minutes resulting in an overbilling of 110 minutes.
- Did not meet the staff to client ratio requirements for two (40%) of the five days tested.

DMH and DCFS Wraparound Fiscal Review

SFV charged DMH \$1,162,454 in questioned costs and did not always comply with County contract requirements. Specifically, SFV:

- Allocated shared program expenditures without adequate documentation to support their allocation methodology. Specifically, SFV allocated 50% of Wraparound Program costs to DMH, totaling \$1,137,611. However, SFV did not provide

documentation to support how they determined the allocation rate of 50%. SFV management indicated that the allocation was based on historical trends, which was not a methodology identified in their Cost Allocation Plan. Subsequent to our review, SFV management indicated that they are determining an appropriate allocation method to reallocate the Wraparound Program costs.

- Charged DMH \$4,853 for a security deposit related to a leased facility previously used by the DMH Program. Agency management indicated that they wrote off the deposit after several attempts to collect from the landlord. The County contract does not allow agencies to charge the County for losses arising from uncollectible accounts.
- Allocated \$10,510 to DMH for penalty fees, which are unallowable expenditures.
- Allocated \$9,480 to DMH for a vehicle lease and medical charges related to a non-DMH Program.
- Did not provide documentation to support their allocation rates used to allocate shared Wraparound Program costs to DMH.
- Did not maintain documentation to support two (11%) of the 18 employees' job qualifications in their personnel files.

In addition, at the end of each DCFS Wraparound Program year, the Agency shall return excess funds to the County or may retain up to ten percent of their unspent funds for future Wraparound Program use and return any funds in excess of ten percent to the County. For the program year ending April 30, 2008, SFV had \$423,854 in excess funds that they placed in reserve. SFV's program expenditures totaled \$1,454,711. As a result, SFV can only reserve \$145,471 (10% of \$1,454,711) for future Wraparound use and needs to minimally repay DCFS \$278,383 (\$423,854 - \$145,471) as required by the County contract.

The details of our review along with recommendations for correction action are attached.

Review of Report

We discussed the results of our review with SFV, DMH and DCFS on August 6, 2009. In their attached response, SFV concurred with our findings and recommendations. Subsequent to our review, SFV management indicated that they are determining an appropriate allocation method to reallocate the Wraparound Program costs. DCFS will follow up with SFV to ensure this issue is resolved. The Agency also agreed to repay DCFS \$278,383 in unspent Wraparound funds and offset \$26,664 in questioned costs from future payment from DMH for FY 2007-08.

We thank SFV management for their cooperation and assistance during this review. Please call me if you have any questions or your staff may contact Don Chadwick at (213) 253-0301.

WLW:MMO:JET:DC:EB

Attachment

c: William T Fujioka, Chief Executive Officer
Dr. Marvin J. Southard, Director, Department of Mental Health
Patricia S. Ploehn, Director, Department of Children and Family Services
Ted Myers, Chief Deputy Director, Department of Children and Family Services
Susan Kerr, Senior Deputy Director, Department of Children and Family Services
Zita Kass, President, Board of Directors, SFV
Ian Hunter, Ph.D., CEO, SFV
Public Information Office
Audit Committee

**DEPARTMENT OF MENTAL HEALTH AND WRAPAROUND PROGRAMS
SAN FERNANDO VALLEY COMMUNITY MENTAL HEALTH CENTER, INC.
FISCAL YEARS 2007-08 AND 2008-09**

BILLED SERVICES

Objective

Determine whether San Fernando Valley Community Mental Health Center, Inc. (SFV or Agency) provided the services billed in accordance with their contract with Department of Mental Health (DMH).

Verification

We reviewed 50 billings totaling 8,821 minutes of the 1,417,822 service minutes and five service days of the 476 service days of approved Medi-Cal billings from September and October 2008. We reviewed the Assessments, Progress Notes and Client Care Plans maintained in the clients' charts for the selected billings. The 8,821 minutes and five days represent services provided to 35 program participants.

Results

SFV did not provide documentation to support 598 (7%) of the 8,821 minutes sampled. The undocumented billings totaled \$1,821. This finding was also noted in the prior year's monitoring review. Specifically, SFV billed:

- \$356 for 158 minutes of mental health services without documentation to support the services in the client's chart.
- \$1,099 for 330 minutes for one Crisis Intervention Service without the required documentation to classify the activity as Crisis Intervention Service. Specifically, the Progress Note did not describe why the condition required a more timely response.
- \$366 for 110 minutes more than the service minutes documented in the clients' charts. Specifically, SFV billed 430 service minutes when the Progress Notes documented 320 minutes resulting in an overbilling of 110 minutes.

The Agency also did not always complete Client Care Plans and Progress Notes in accordance with the County contract requirements.

Client Care Plans

SFV did not complete the Client Care Plans for seven (20%) of the 35 clients sampled in accordance with the County contract. Specifically, the Client Care Plans did not contain specific goals. The Client Care Plan establishes goals and interventions to address the mental health issues identified in the client's Assessment.

Progress Notes

The Agency did not complete seven (14%) of the 50 Progress Notes sampled in accordance with the County contract. Specifically:

- Five Progress Notes for mental health services did not describe what the clients or service staff attempted and/or accomplished towards the clients' goals. This finding was also noted in our prior monitoring review.
- Two Progress Notes for the Medication Support Services did not indicate that the clients were questioned about side effects, response to medication and medication compliance.

Recommendations**SFV management:**

1. **Repay DMH \$1,821.**
2. **Ensure that service minutes billed are supported.**
3. **Ensure that Client Care Plans and Progress Notes are completed in accordance with the County contract.**

STAFFING LEVELS**Objective**

Determine whether SFV ratios for Qualified Mental Health Professional (QMHP) staff to the total number of clients in its Day Treatment Program do not exceed the 1:8 ratio required by the County contract.

Verification

We selected five days that SFV billed for its Day Treatment Program and reviewed the client attendance sheets, staff rosters and staff timecards for September and October 2008.

Results

The Agency did not meet the QMHP staff to client ratio requirements for two (40%) of the five days tested. Specifically, the Agency's sign-in sheets, which were used as their supporting documentation, did not contain the QMHP staff's signatures for the two days. This finding was also noted in our prior monitoring review.

Recommendation

4. SFV management ensure that the staff-to-client ratios for the Day Treatment Program are met as required and maintain documentation to support the staffing levels.

STAFFING QUALIFICATIONS

Objective

Determine whether SFV's treatment staff possessed the required qualifications to provide mental health services.

Verification

We reviewed the California Board of Behavioral Sciences' website and/or the personnel files for 16 of 300 mental health treatment staff who provided services to DMH clients during September and October 2008.

Results

Each employee in our sample possessed the qualifications required to provide the services billed.

Recommendation

None.

UNSPENT WRAPAROUND REVENUE

SFV's Wraparound Approach Services (Wraparound) contract with the Department of Children and Family Services (DCFS) indicates that at the end of each program year, the Agency shall return excess funds to the County or may retain up to ten percent of their unspent funds for future Wraparound Program use and return any funds in excess of ten percent to the County. For the program year ending April 30, 2008, SFV had \$423,854 in excess funds that they placed in reserve. SFV's program expenditures totaled \$1,454,711. As a result, SFV can only reserve \$145,471 (10% of \$1,454,711) for future Wraparound use and needs to minimally repay DCFS \$278,383 (\$423,854 - \$145,471) as required by the County contract.

Recommendation

5. SFV management repay DCFS \$278,383.

CASH/REVENUE

Objective

Determine whether cash receipts and revenue were properly recorded in the Agency's financial records and deposited timely in their bank account. In addition, determine whether there are adequate controls over cash and other liquid assets.

Verification

We interviewed SFV management and reviewed the Agency's financial records. We also reviewed two bank reconciliations for November 2008.

Results

SFV maintained adequate controls to ensure that revenue was properly recorded and deposited in a timely manner.

Recommendation

None.

COST ALLOCATION PLAN

Objective

Determine whether SFV's Cost Allocation Plan is prepared in compliance with the County contract and the Agency used the Plan to allocate appropriately shared program expenditures.

Verification

We reviewed the Agency's Cost Allocation Plan, interviewed management and reviewed their financial records.

Results

SFV's Cost Allocation Plan was prepared in compliance with the County contract. However, SFV inappropriately allocated \$1,157,601 in shared program expenditures to the DMH Program. Specifically, SFV allocated to DMH:

- \$1,137,611 in Wraparound Program expenditures without documentation to support how they determined the allocation rate. SFV management indicated that the allocation rate was determined based on historical trends, which was not a methodology identified in their Cost Allocation Plan. Subsequent to our review, SFV

management indicated that they are determining an appropriate allocation method to reallocate the Wraparound Program costs.

- \$10,510 for penalty fees which are unallowable expenditures.
- \$9,480 for a vehicle lease and medical charges related to a non-DMH program in error.

Similar findings related to allocating shared costs and maintaining adequate supporting documentation were also noted in our prior monitoring review.

Recommendations

SFV management:

6. **Provide documentation to support the allocation methodology used to charge DMH \$1,137,611 and revise their Cost Report for the unsupported amounts.**
7. **Revise their Fiscal Year (FY) 2007-08 Cost Report to reduce the program expenditures by \$19,990 (\$10,510 + \$9,480) and repay DMH for excess amounts.**
8. **Maintain adequate supporting documentation for expenditures charged to the DMH and Wraparound Programs.**

EXPENDITURES

Objective

Determine whether DMH and Wraparound Programs related expenditures are allowable under their County contracts, properly documented and accurately billed.

Verification

We interviewed Agency personnel, reviewed financial records and documentation to support 12 Wraparound expenditures totaling \$16,613 and 30 DMH expenditures totaling \$118,306 between July 2007 and July 2008.

Results

SFV's expenditures for the Wraparound Program were allowable, properly documented and accurately billed. However, SFV charged DMH \$4,853 for a security deposit related to a leased facility previously used by the DMH Program. Agency management indicated that they wrote off the deposit after several attempts to collect from the

landlord. The County contract does not allow agencies to charge the County for losses arising from uncollectible accounts.

Recommendations

SFV management:

9. **Revise their FY 2007-08 Cost Report to reduce the DMH Program expenditures by \$4,853 and repay the County for excess amounts.**
10. **Ensure that only allowable program expenditures are billed to the DMH Program.**

FIXED ASSETS

Objective

Determine whether fixed asset depreciation costs charged to the DMH and Wraparound Programs were allowable under the County contract, properly documented and accurately billed.

Verification

We interviewed staff and reviewed the Agency's financial records related to fixed assets. In addition, we reviewed a fixed asset with depreciation costs of \$51,188 that the Agency charged to the DMH Program during FY 2007-08. SFV did not charge the Wraparound Program as fixed assets were not purchased with the program funds.

Results

The depreciation costs charged to DMH were allowable, properly documented and accurately billed.

Recommendation

None.

PAYROLL AND PERSONNEL

Objective

Determine whether payroll expenditures were appropriately charged to the DMH and Wraparound Programs. In addition, determine whether personnel files are maintained as required.

Verification

We traced the payroll expenditures for 18 employees totaling \$36,596 to the payroll records and time reports for the pay period ending December 15, 2008. We also interviewed 17 employees and reviewed personnel files for the 18 employees.

Results

SFV's payroll expenditures were appropriately charged to the DMH and Wraparound Programs. However, as indicated earlier, SFV did not provide documentation to support their allocation rates used to allocate shared Wraparound Program costs to DMH. In addition, SFV did not maintain documentation to support two (11%) of the 18 employees' job qualifications in their personnel files.

Recommendation

Refer to Recommendation 6.

- 11. SFV management ensure that personnel files contain required documentation.**

COST REPORT**Objective**

Determine whether SFV's FY 2007-08 Cost Report reconciled to the Agency's financial records.

Verification

We traced the Agency's FY 2007-08 Cost Report to the Agency's general ledger.

Results

SFV's total expenditures listed on their Cost Report exceeded the amount in the Agency's general ledger by \$1,137,611. As indicated above, the discrepancy was due to the allocation of Wraparound Program costs reported in their Cost Report. SFV did not provide documentation to support their allocation methodology.

Recommendation

Refer to Recommendation 6.

PRIOR YEAR FOLLOW-UP

Objective

Determine the status of the recommendations reported in the prior monitoring review completed by the Auditor-Controller.

Verification

We verified whether the outstanding recommendations from FYs 2005-06 and 2006-07 monitoring reviews were implemented. The DMH monitoring review report was issued on June 26, 2006 and the DCFS Wraparound monitoring report was issued on October 4, 2007.

Results

DMH Monitoring Report

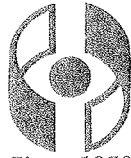
Our prior monitoring report contained nine recommendations. SFV implemented five recommendations, did not implement three recommendations and one recommendation is no longer applicable. As previously indicated, the outstanding findings related to recommendations 2, 3 and 4 are contained in this report.

DCFS Wraparound Monitoring Report

Our prior monitoring report contained six recommendations. SFV implemented four recommendations and did not implement two recommendations. As previously indicated, the outstanding findings related to recommendations 6 and 8 are contained in this report.

Recommendation

- 12. SFV management implement the five outstanding recommendations from prior monitoring reports.**



Since 1970

SAN FERNANDO VALLEY COMMUNITY MENTAL HEALTH CENTER, INC.

Moving Lives Forward

6842 Van Nuys Blvd., 6th Floor, Van Nuys, CA 91405 Tel: (818) 901-4830

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September 23, 2009

Ms. Wendy L. Watanabe
Auditor-Controller
County of Los Angeles
Department of Auditor-Controller
Kenneth Hahn Hall of Administration
500 West Temple Street, Room 525
Los Angeles, CA 90012-2766

Re: SFVCMHC, Inc. Contract Review – DCFS and DMH-FY2007-08

Dear Ms. Watanabe:

The San Fernando Valley Community Mental Health Center, Inc. (Center) has reviewed and concurred with the findings on the above referenced report. The Center will certainly review and incorporate all the recommendations as listed into the Center's procedures.

The Center and its management team appreciate the hard work and dedication of the audit team during this fiscal review. If you should have any questions, please do not hesitate to contact me at (818) 901-4830.

Sincerely,

Ian Hunter, Ph.D.
President and CEO

**San Fernando Valley Community Mental Health Center, Inc.
FY 2007-08 Contract Review
A Department of Children and Family Services and
Mental Health Service Provider**

Corrective Action Plan

In response to the contract review and final report dated **August xxx, 2009**, the San Fernando Valley Community Mental Health Center, Inc. ("the Center") has developed a Corrective Action Plan to be immediately implemented throughout all of its programs.

BILLED SERVICES:

Recommendation 1: Repay DMH \$1,821.

The Center will offset \$1,821 to the balance of \$1,475,703.35 which DMH owes to the Center for fiscal year 2007-08.

Recommendation 2: Ensure that service minutes billed are supported.

The Center will enhance its staff training program and internal procedures for verifying daily progress notes against unit of service logs to ensure that the information billed is accurately.

The Center's management team has closely reviewed current procedures for ensuring that a well documented Progress Note (claim) will be written prior to the claim being billed/entered on the MIS/IS system. Each program has identified a key staff member, usually the administrative assistant, to ensure that billing entries are supported by a claim prior to submitting the Unit of Service Logs to the Center's billing department for data entry into the MIS/IS system.

In addition to daily reconciliation of the billing claims with the Unit of Service Logs, the Center's Quality Assurance Department will conduct quarterly audits of client records to ensure that entries made on the Unit of Service Logs coincide with the claims documented in the client's record.

Recommendation 3: Ensure that Client Care Plans and Progress Notes are completed in accordance with the County contract.

The Center has a comprehensive staff documentation training program that includes multiple courses on the specific requirements for completing and updating Client Care Coordination Plans (CCCP) and Progress Notes. This training program is mandatory for all new employees and managers and is offered annually to staff to enhance their knowledge and skills. Each course has a detailed training manual that includes the contract requirements, step by step instructions for each form or document, as well as written samples to be used as a guide for staff to follow when necessary.

Each Program Manager is required to conduct weekly Utilization Review Meetings to review documentation practices and identify areas for improvement at the individual and program levels. The Program Manager submits a monthly summary of the chart findings and plan of correction to the Quality Assurance Manager. The Quality Assurance Manager will utilize these summary reports to track and monitor progress of the staff toward improving their charting practices. Areas requiring additional training will be provided to staff on an individual and program level as needed.

In order to verify the quality of the staff's documentation practices, the Quality Assurance Manager will also conduct spot/targeted audits of client's charts to ensure that the charting requirements have been correctly documented. The results of the chart audits will be used as a quality improvement tool to further enhance the Center's staff trainings. The Quality Assurance Manager will track and monitor audit findings, customize future trainings to address areas of weakness and work to continually make improvements across the Center's programs.

STAFFING LEVELS

Recommendation 4: SFV management ensure that the staff-to-client ratios for the Day Treatment Program are met as required and maintain documentation to support the staffing levels.

The Center's Day Treatment Intensive (DTI) Program has appointed relief QMHP staff to the program staff roster to ensure that the staff to client ratio is met at all times. The program tracks and maintains a daily census log to record staff and client attendance in the DTI program. It is the responsibility of the Program Manager to verify that this daily census log is accurately completed in accordance with contract requirements.

The Center's Quality Assurance Department will conduct internal audits of these daily census logs against the billed unit of services logs to ensure that the contract requirements were met and completely accurately.

UNSPENT WRAPAROUND REVENUE

Recommendation 5: SFV management repay DCFS \$278,383.

The Center will remove \$278,383 from its reserve account and refund to DCFS.

COST ALLOCATION PLAN

Recommendation 6: Provide documentation to support the allocation methodology used to allocate the \$1,137,611. and revise their Cost Report for unsupported amounts.

As the audit report indicates, the Center's Cost Allocation Plan was prepared in compliance with the County contract and, also, the Center's Cost Report was traced to- and "tied in" perfectly with- the general ledger. The allocation methodology utilized was consistent with the methodology utilized in the development of previous cost reports for this program, and is based upon prior years' performance and service delivery levels. It should be noted that there are three major difficulties confronting the development of a consistent, accurate allocation methodology between the County DMH EPSDT funding and DCFS components of the Wraparound Program: (1) differential payment rates; (2) different definitions for "units of service"; and (3) different contract requirements regarding service definitions and staffing requirements. Thus, DCFS provides a fee-for-service base rate of \$4,184 per child/per month (less placement costs), while DMH funds a variety of mental health services on a fee-for-service/cost reimbursement basis ranging from \$1.73 to \$4.15 per minutes of staff time. With such an "apples and oranges" scenario, it is obviously quite difficult to allocate the total program expenditures as precisely as in less complicated programs. Toward this end, the Center's staff is currently conducting an extended "time study" to more accurately determine the proportion of individual and general staff time devoted to the services provided in the two program components. In addition, the Center's fiscal/accounting staff is conducting an in-depth analysis of the source and nature of the varying revenue streams in the DCFS and DMH program components. It is expected that when the results of these two studies are "blended", the relationship between revenue differential and specific, focused staff activity will be more precisely articulated, and program expenditures will be allocated between the program components in future cost reports on a more precise formula with a higher level of supportive documentation.

Recommendation 7: Revise the FY 2007-08 Cost Report to reduce the program expenditures by \$19,990 (\$10,510+\$9,480) and repay DMH for excess amounts.

The Center removed the disallowable expenditure in the amount of \$19,990 from the Center's Cost Report and the Center will offset \$19,990 to the balance of \$1,475,703.35 which DMH owes to the Center for fiscal year 2007-08.

Recommendation 8: Maintain adequate supporting documentation for expenditures charged to the DMH and Wraparound programs.

The Center's management will develop a plan to determine the most appropriate method to allocate the expenditures for the Wraparound program.

EXPENDITURES

Recommendation 9: Revise the FY 2007-08 Cost Report to reduce the DMH program expenditures by \$4,853 and repay the County for excess amounts.

The Center removed the disallowable expenditure in the amount of \$4,853 from the Center's Cost Report and the Center will offset \$4,853 to the balance of \$1,475,703.35 which DMH owes to the Center for fiscal year 2007-08.

Recommendation 10: Ensure that only allowable program expenditures are billed to the DMH Program.

The Center's management will ensure that all the invoices will be thoroughly reviewed and charged accordingly.

PAYROLL AND PERSONNEL

Recommendation 11: SFV management ensure that personnel files contain required documentation.

The Center's Human Resources Department will ensure that all job descriptions are updated regularly and that each employee's qualifications and credentials meet the requirements listed in the job description. The job descriptions for the two staff members mentioned in the report have been modified to support their numerous years of related work experience which was accepted in lieu of a Bachelor's Degree for the positions.

COST REPORT

Recommendation: same as #6

PRIOR YEAR FOLLOW UP

Recommendation 12: SFV management implement the five outstanding recommendations from prior monitoring reports.

DMH Monitoring Report Dated 6/13/2006

Recommendation 2: Ensure that a system is in place to identify and correct over-billings.

The Center will enhance its internal procedures for verifying daily progress notes against unit of service logs to ensure that the information billed is accurately.

The Center's management team has closely reviewed current procedures for ensuring that a well documented Progress Note (claim) will be written prior to the claim being billed/entered on the MIS/IS system. Each program has identified a key staff member, usually the administrative assistant, to ensure that billing entries are supported by a claim prior to submitting the Unit of Service Logs to the Center's billing department for data entry into the MIS/IS system.

In addition to daily reconciliation of the billing claims with the Unit of Service Logs, the Center's Quality Assurance Department will conduct quarterly audits of client records to

ensure that entries made on the Unit of Service Logs coincide with the claims documented in the client's record.

Recommendation 3: Maintain sufficient documentation to support its compliance with contract requirements for the services billed to DMH.

The Center has a comprehensive staff documentation training program that includes multiple courses on the specific requirements for completing and updating the clinical documents in the client record which includes: Assessments, Client Care Coordination Plans (CCCP) and Progress Notes.

Each Program Manager is required to conduct weekly Utilization Review Meetings to review documentation practices and identify areas for improvement at the individual and program levels. The Program Manager submits a monthly summary of the chart findings and plan of correction to the Quality Assurance Manager. The Quality Assurance Manager will utilize these summary reports to track and monitor progress of the staff toward improving their charting practices. Areas requiring additional training will be provided to staff on an individual and program level as needed.

In order to verify the quality of the staff's documentation practices, the Quality Assurance Manager will also conduct spot/targeted audits of client's charts to ensure that the charting requirements have been correctly documented. The results of the chart audits will be used as a quality improvement tool to further enhance the Center's staff trainings. The Quality Assurance Manager will track and monitor audit findings, customize future trainings to address areas of weakness and work to continually make improvements across the Center's programs.

Recommendation 4: Ensure that the duration of the Day Rehabilitation and Day Treatment Intensive Programs exceed four hours excluding lunch and breaks.

The Center's Day Treatment Intensive Program schedule exceeds four hours excluding lunch and breaks. This schedule was updated immediately after the June 2006 audit and continues to be in compliance with the contract requirements.

DCFS Wraparound Monitoring Report 10/4/07

Recommendations 6: SFV management implement the outstanding recommendation from the FY 2005-06 monitoring report.

See response to recommendations listed below.

DCFS Wraparound Monitoring Report 9/28/06

Recommendation 6: Maintain travel and mileage logs for the vehicles used by Wraparound program.

The timely completion of vehicle mileage logs was implemented after the September 2006 audit and continues to be a standard operating procedure for the Wraparound program.

Recommendation 8: Ensure that indirect costs are allocated according to the cost allocation plan and OMB Circular A-122.

This recommendation was immediately corrected after the September 2006 audit. During the most recent review, the auditor conducted a test to determine if the indirect costs were allocated according to the allocation plan and OMB Circular A-122; the auditor stated that all figures and plans balanced accordingly.